

City of Westfield Municipal Utilities

2012 Budget Projections

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Westfield Municipal Utilities – Water

Key Budget Assumptions – 2012

Water Revenues:

- Sales Based upon normalized sales for 2011, added 200 new customers at an average monthly bill of \$22.28.
- Contract Sales Management estimated which was based upon historical sales.
- Fire Surcharges Based upon normalized 2011 sales.
- Inspection/Planning Based upon normalized 2011 fees received.
- Interest Based upon normalized 2011 interest income.
- Availability & Connection Assumes 175 new EDU's at the rate of \$1,800 each availability and \$500 each for connection fees.
- City Lease Payment 35% of the \$108,191 total payment.

Water Operating Expenses:

- Salaries & Wages Total budget in 2011 of \$1,364,057 increased to \$1,479,661 in 2012. Change is due to the addition of up to 6 new employee allocations in the water utility and an average of 4% general performance based wage increase for the existing employees.
- Insurance Includes both property/casualty and employee insurance. Based upon anticipated 2012 expense. The City anticipates a 5% increase in health insurance, all of which will be funded by the City, not the employees.
- Purchased Power Budgeted 20% increase in purchased power due to the addition of 2 operating wells in 2011 and assumed increase in power costs.
- Employee Benefits 18.40% of labor costs, assuming 7.65% for payroll taxes, 10.50% for PERF and .25% for workers compensation.
- Contractual – Admin Includes legal, accounting, financial reporting, computer support, cleaning services, payroll processing services, equipment maintenance contracts, appraisals and surveys.
- Utility Receipts Tax 1.4% of eligible sales.
- Depreciation Based upon estimated depreciation for 2011 infrastructure additions.
- Capital Projects \$1,377,000 earmarked for Well Development, purchase of property on River Road, Capital Development and 70% for the purchase of 2 new pickups.
- All other expenses Amounts are the same, increased or decreased based upon 2011 year-to-date experience.

Westfield Municipal Utilities – Wastewater

Key Budget Assumptions – 2012

Wastewater Revenues:

- Sales Based upon normalized sales for 2011, added 200 new customers at an average monthly bill of \$37.10.
- Stormwater Sales Based upon normalized 2011 sales.
- Trash Sales Based upon normalized 2011 sales.
- Inspection/Planning Based upon normalized 2011 fees received.
- Interest Based upon normalized 2011 interest income.
- Availability & Connection Assumes 100 new EDU's at the rate of \$3,500 each availability and \$1,200 each for connection fees.
- City Lease Payment 65% of the \$108,191 total payment.
- Developer Fees Based upon an estimate of fees from J.C. Hart Union Flats Project, which will provide the primary funding source for Grand Park wastewater collection system infrastructure.

Wastewater Operating Expenses:

- Salaries & Wages Total budget in 2011 of \$1,117,006 increased to \$1,218,728 in 2012. Change is due to the addition of up to 5 new employee allocations in the wastewater utility and an average of 4% general performance based wage increase for the existing employees.
- Sludge Removal Based upon management's estimate.
- Treatment – Carmel Budgeted 10% increase in treatment fees.
- Insurance Includes both property/casualty and employee insurance. Based upon anticipated 2012 expense. The City anticipates a 5% increase in health insurance, all of which will funded by the City, not the employees.
- Purchased Power Budgeted 7% increase in purchased power due to assumed increased power costs.
- Drainage Assessment Based upon 2011 budget.
- Employee Benefits 18.40% of labor costs, assuming 7.65% for payroll taxes, 10.50% for PERF and .25% for workers compensation.
- Contractual – Other Includes legal, accounting, financial reporting, computer support, cleaning services, payroll processing services, equipment maintenance contracts, appraisals and surveys.
- Trash/Recycling Contract Based upon estimated 2012 sales.
- Depreciation Based upon estimated depreciation for 2011 infrastructure additions.
- Capital Projects \$1,758,325 earmarked for a drainage project, Capital Development and 30% for the purchase of 2 new pickups.
- All other expenses Amounts are the same, increased or decreased based upon 2011 year-to-date experience.